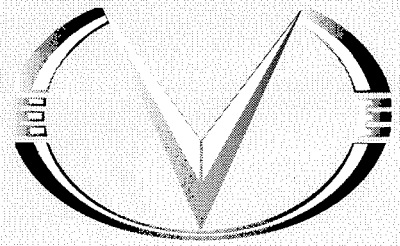
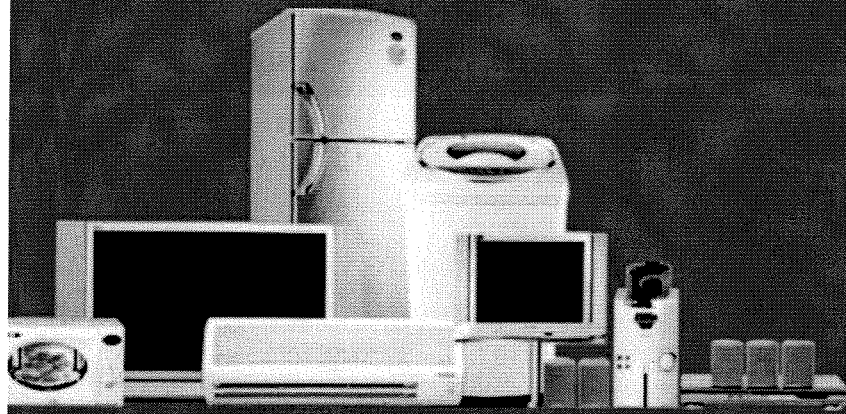


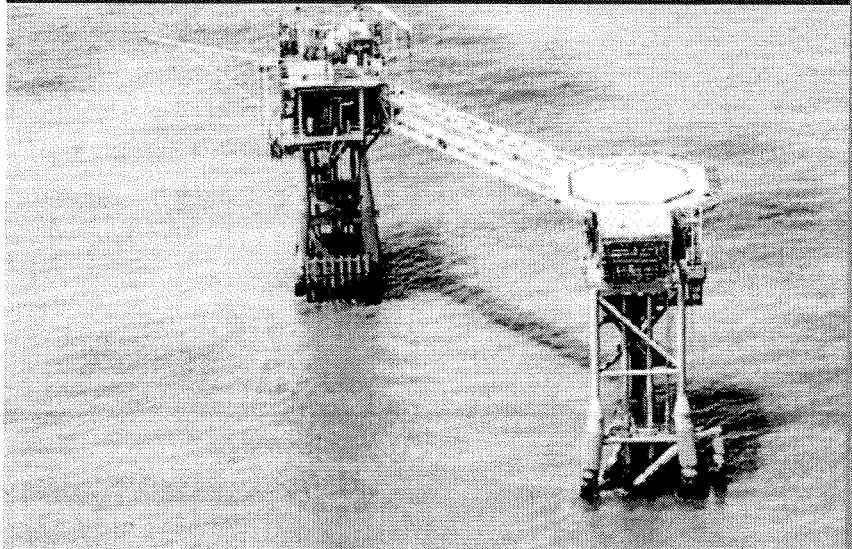
Exhibit A



VIDEOCON
THE INDIAN MULTINATIONAL



VIDEOCON INDUSTRIES LIMITED



18th
Annual Report
2005-06

VIDEOCON INDUSTRIES LIMITED**DIRECTORS' REPORT**

The Shareholders,
of Videocon Industries Limited (the Company)

The Board of Directors are delighted to present the 18th Annual Report together with the Audited accounts, Auditors' Report and the Audited consolidated financial statements for the year ended September 30, 2006.

FINANCIAL RESULTS:

The performance of the Company, on standalone basis, for the financial year ended September 30, 2006 is as summarized below:

Rs. Millions		
Particulars	Year ended 30.09.2006	Period ended 30.09.2005
Net Sales	72,188.17	54,494.03
Other Income	1,654.44	704.87
Total Income	73,842.61	55,198.90
Profit before Interest, Depreciation and Tax	14,750.93	8,884.35
Interest & Finance charges	2,258.80	2,042.46
Depreciation	3,355.47	2,323.60
Profit before Exceptional Items and Taxation	9,136.67	4,518.30
Exceptional Items	Nil	(1,901.79)
Profit before Tax	9,136.67	2,616.51
Provision for Taxation	951.65	(1,660.34)
Profit after Tax	8,185.02	4,276.85

During the year under review, the Total Income & Profitability of the Company were higher as compared to the previous period. This was on account of normal growth in the business of the Company as well as due to addition of business on account of various mergers & amalgamations, as mentioned in the Management Discussion & Analysis Report.

OPERATIONS:

Some of the highlights of the year under review are as under:

1. Acquisition:

On December 13, 2005, Eagle Corporation Limited became a Wholly Owned Subsidiary of the Company after the Company acquired the balance 81% equity stake in Eagle Corporation Limited.

Eagle Corporation Limited is an offshore entity which acquired Colour Picture Tube businesses from Thomson S.A having manufacturing facilities in Poland, Italy, Mexico and China along with support research and development facilities.

In pursuit of mission to become a global major in consumer electronics and home appliances with large scale and low cost base for critical components, the company made its first footprint in acquiring global sized colour picture tube manufacturing facilities across the world from Thomson SA. It was also an exercise to complete the value chain in CTV vertical as the Company had already a critical mass of glass panel manufacturing facility, a substantial part of bill of material of CPT in India. By adding this acquisition the Company become a major player with total vertical integration in the CPT vertical. Amongst others, the principal philosophy behind this acquisition was to make this acquisition yield handsome gains by adopting a three fold strategy viz.

1. Cost cutting
2. Vertical Integration
3. Rationalisation of Product Profile

So far in the past four quarters, the Company had been successful in making substantial dent in all these three aspects. the Company had been in a position to reduce the costs by relocation of certain activities from high cost countries to low cost countries, also by reshuffling the material procurement from more efficient sources and by effectively leveraging the capability to integrate glass panel facility back home to the CPT manufacturing facilities so acquired from Thomson S.A. The Company also made decent progress in reshuffling the product profile to match the needs of the market by shifting the production of very large size picture tubes to medium and smaller size picture tubes, thereby reducing the impact of the pressure of competition on VLS. The pursuit of threefold strategy of rationalization of cost, capacity and production profile has given decent dividends

in last year by converting the cash losing acquired business into cash surplus, albeit in a token way. The company intends to further pursue the same strategy of cost cutting and rationalizations and product profile rationalizations such as launch of Slim and Extra Slim versions of Colour Picture Tubes and garner more strength by integrating its activities and operations covering all aspects of value chain. The company believes that the pursuit of these strategies would go along, to further its aim of becoming a globally integrated player in the CTV vertical.

2. Merger:

On July 21, 2006, EKL Appliances Limited (formerly: Electrolux Kelvinator Limited) amalgamated with the Company, with retrospective effect from January 01, 2005, pursuant to the Scheme of Amalgamation of EKL Appliances Limited with Videocon Industries Limited, as sanctioned by the Hon'ble High Court of Judicature at Bombay on 30th June 2006. The Scheme resulted in all of the assets and liabilities of EKL Appliances Limited being transferred to the Company.

3. Issue/Allotment of Securities:

On December 21, 2005, the Company issued 217,200 GDRs representing 217,200 equity shares of the Company ("equity shares") at a price of US\$10 each to Gallo SAS, a Thomson Group entity against subscription money received on September 30, 2005.

On January 31, 2006, the Company has allotted 14,242,488 equity shares to the shareholders of erstwhile Videocon International Limited pursuant to Scheme of Amalgamation of Videocon International Limited with the Company, as sanctioned by Hon'ble High Court of Judicature at Bombay on November 25, 2005.

On February 7, 2006, the Company issued Foreign Currency Convertible Bonds ("FCCBs") of an aggregate amount of US\$ 90,000,000 (United States Dollar Ninety Million). These FCCBs are listed on Singapore Exchange Securities Trading Limited.

On March 31, 2006, the Company has allotted 4,158,870 preference shares of Rs.100/- each to the Preference shareholders of erstwhile Videocon International Limited pursuant to Scheme of Amalgamation of Videocon International Limited with the Company, as sanctioned by Hon'ble High Court of Judicature at Bombay on November 25, 2005.

On July 24, 2006, the Company issued Foreign Currency Convertible Bonds ("FCCBs") of an aggregate amount of US\$105,000,000 (United States Dollar One Hundred Five Million). These FCCBs are listed on Singapore Exchange Securities Trading Limited.

On July 31, 2006, the Company has allotted 441,990 preference shares of Rs.100/- to Life Insurance Corporation of India.

APPROPRIATIONS:**Dividend:**

Your directors have pleasure in recommending a dividend of 35% (Rs. 3.50 per share) on equity shares for the financial year ended on September 30, 2006, subject to approval by shareholders at the 18th Annual General Meeting. The equity dividend amounting to Rs. 881.93 Million, including taxes, if approved by the Equity shareholders at the ensuing Annual General Meeting, would be paid out of the profits for the year. The dividend is free of tax in the hands of the shareholders.

Transfer to reserves:

Your directors propose to transfer Rs. 1,500 Million to the General Reserve. An amount of Rs. 8,380.87 Million is proposed to be retained in the Profit and Loss Account.

FIXED DEPOSITS:

The company has not accepted any deposit within the meaning of Section 58A of the Companies Act, 1956.

CONSERVATION OF ENERGY:

The Company continues to emphases on conservation of energy, power and other energy sources. The Company has formed a team of the expert engineers engaged in the production activity for taking up detailed study by attending seminars, obtaining expert opinion, research, on the possibilities of use of various methods of optimum use of energy without affecting the productivity. This is done under guidance of the Management.

As a part of continuous efforts, your Company has taken the following steps:

- i. Utilization of unconventional energy source such as Solar Energy.
- ii. Adoption of the latest technique of production which helps better productivity levels
- iii. Timely maintenance & upgradation of machinery & equipments to ensure that the energy consumption is as minimal as possible.
- iv. Educating the production team members as well as whole of the staff to conserve energy.

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	For the year ended 30th Sept. 2006 (Rs. Million)	For the period ended 30th Sept. 2005 (Rs. Million)
20. Auditors' Remuneration: (Including Service Tax)		
a) Audit Fees	4.77	4.41
b) Tax Audit Fees	1.12	1.10
c) Out of Pocket Expenses	0.18	0.20
d) Other Services	1.58	0.80
	7.75	6.51

21. Sundry Creditors include Rs. 76.88 million (previous year Rs.59.61 million) due to Small Scale Industrial undertakings to the extent such parties have been identified from available information. The names of small scale industrial undertakings to whom amounts payable are outstanding for more than 30 days are -

Aalekh Industries Pvt. Ltd., Able Moulders, Acropolis Industries, Akshay Engineers, Akshay Flexi Hoses, Akshay Industrial Enterprises P Ltd, Akshay Udyog, Amol Industries, Aparna Controls P Ltd, Apeedee Agroplast, Aqura, Arihant Industries, Asean Box Corporation, Altitude Plastics Pvt. Ltd (J/W), Badri Minerals, Bajaj Nylon & Plastics, Bhansali Engineering Polymers Ltd, Bharat Silica Sand, Blue Star Engineers, Bombay Stationers Pvt. Ltd., Brownor Pac Pvt. Ltd., Cento-Thou Engineers, Chandan Polymers Pvt. Ltd (J/W), Chandra Electricals, Chetak Plast Electric Pvt. Ltd, Chirag Plast, Compack, D. F. Industries, Deepak Industries, Dolphin Inks Pvt. Ltd, Electromates, Enman Automation Pvt Ltd, Fil Tight Fasteners, Friend'S Container Terminal, Ganapati Moulders Pvt. Ltd., Ginraj Industries, Gurudutta Industries, Hi-Tech Swtch Gears Pvt. Ltd., Impression Packaging, Intellicon Private Limited, Jay Polypack, Jurgyan Industries, K.L.J. Polymers & Chemicals Ltd., Kaeser Compressors (India) Pvt. Kailas Electricals, Kalpana Arts & Press, Kaul Associates, Klas Polymers (J/W), Komal Enterprises, Krishna Aluminium & Glass House, Labdhi Polyplast Engineers, Lookman & Sons, M. N.Dastur & Company P Ltd, Machhar Polymer Pvt. Ltd., Makson Plastic Industries, Militech Industries Pvt Ltd, Minerva Engg Tools, Mould Craft (Hindustan) Pvt Ltd (J/ Mukund Electric Stores, Multicolor Steel Pvt Ltd., Multicolor Steels (India) Pvt Ltd, National Minerals, New Era India Consultancy Pvt Ltd., Newtech Sales Corporation, Nilesh Fab & Engg. Services, Nutech Sintered Products, Omega Bearing Company, Omkar Engineering, Patkar Extrusions Ltd, Power Dynamics, Prabhat Plastic Udyog Pvt Ltd, Precimax Engineers, Precious Glotech (P) Pvt Ltd, Premier Engineers, Premier Seals I P Ltd, Prime Engineering Services, Punjab Tyres, R.P Engineers, Rajesh Gruh Udyog, Reeshpal Industries, Reliance Industrial Products, Royal Pack Industries., Rubo Tech Industries, Safex Equipments Pvt Ltd, Sakshi Packers Pvt Ltd, Sanjivot Metal Industries, Sanraaj Hoses P Ltd, Sapna Packaging, Saptagiri Industries, Savera Press Comps P Ltd, Selwel Enterprises P. Ltd., Servilink Engineers Pvt Ltd, Servilink Systems Limited, Shishir Enterprises, Shree Ashapuri Saw Mill, Shree Bhagwati Enterprises, Shree Shyam Pipes Pvt Ltd., Shree Udyog, Shreyas Plastics, Shri Plastics(J/W), Silverline Metal Engg. Sjs Plastiblenids, Skyline Distributors, Snehankit, Special Ceramics (P) Ltd., Stackwell Mktg Services Pvt Ltd, Sudarshan Plast, Sun Polymers, Sun Polymers (J/W), Supack Industries (P) Ltd., Suraj Industries, Techno Graphics, Trinity Sales & Services, Triumph Pack Pvt. Ltd., Udeet Electricals, Ultra Tech Cement, Varroc Engineering P.Ltd., Varsa Pastic Industries Pvt. Ltd., (, Vasundhara Chem Plast Ind, Venkatesh Trading Corporation, Venus (I) Enterprises, Wearresist Technologies Private Ltd.

22. There are no amounts due to be credited to Investor Education & Protection Fund.

23. Related Party Disclosures:

As required under Accounting Standard 18 on "Related Party Disclosure", the disclosure of transaction with related parties as defined in the Accounting Standard are given below:

a) List of Related Parties:

i) Subsidiary Companies:

- Paramount Global Limited
- Videocon (Cayman) Limited (upto 29th September, 2006)
- Videocon Global Limited
- Mars Overseas Limited
- Sky Billion Trading Limited (upto 28th February, 2006)
- Trend Limited (upto 29th September, 2006)
- Videocon (Mauritius) Infrastructure Ventures Limited
- Middle East Appliances LLC
- Powerking Corporation Limited
- Videocon Industrial Finance Limited (upto 29th September, 2006)
- Gajanan Electronics & Home Appliances Private Limited
- Gruhaupyogi Electronics Appliances Private Limited (upto 29th September, 2006)
- Mayur Household Electronics Private Limited
- Godavari Consumer Electronics Appliances Private Limited
- Venus Corporation Limited (w.e.f. 18th November, 2005)
- Eagle Corporation Limited (w.e.f. 13th December, 2005)
- Technologies Display Americas LLC (w.e.f. 13th December, 2005) *
- (Formerly Thomson Displays Americas, LLC)
- Thomson Display Mexicana S.A. de CV (w.e.f. 13th December, 2005) *
- VDC Technologies S.P.A. (w.e.f. 13th December, 2005) *
- Thomson Tubes & Displays S.A. (w.e.f. 13th December, 2005) *
- Thomson Displays Polska S.P.Z.O.O (w.e.f. 13th December, 2005) *
- Thomson Displays Italy Srl (w.e.f. 13th December, 2005 upto 29th September, 2006) *
- Thomson Guangdong Displays Co. Ltd. (w.e.f. 13th December, 2005) *
- Thomson Display R & O Asia (w.e.f. 13th December, 2005) *
- * Subsidiaries of Eagle Corporation Ltd.

ii) Associate and Joint Venture:

- Ravva Oil & Gas Field (unincorporated) Joint Venture - Participating Interest 25%
- Videocon India - Enterprise in which Director is a partner
- Evans Fraser & Co. (India) Limited - Associate

iii) Key Management Personnel:

- Mr. Venugopal N. Dhoot - Chairman & Managing Director
- Mr. Pradeepkumar N. Dhoot - Whole Time Director

b) Transactions/outstanding balances with Related Parties:

The company has entered into transactions with certain related parties as listed below. The Board considers such transactions to be in normal course of business:

Nature of Transaction	Subsidiary Companies (Rs. in million)	Associates/ Joint Venture (Rs. in million)	Key Management Personnel (Rs. in million)
Sale of Goods	18,844.06 (11,246.46)		
Purchase of Goods	608.39 (-)		
Investments /Share Application Money During the year	13,575.75 (697.52)		
Advances/Loans given	421.44 (342.80)	0.16	
Advances/Loans paid	1,652.36 (950.82)		
Transaction with Joint Venture - Contribution towards share of expenditure		470.21 (464.27)	
Outstanding as at 30.09.2006			
Trade Receivables	2,769.79 (92.89)		
Trade Payables	345.66 (-)		
Advances/Loans given / (returned) (Net)	1,272.48 (-731.32)	74.59	
Investments/Share Application Money	14477.55 (1051.80)	40.63	
Receivable from unincorporated Joint Venture		2.16 (3.34)	
Payable to unincorporated Joint Venture		0.29 (-)	

24. The Company has prepared the consolidated Financial Statements as per Accounting Standard (AS) 21 and accordingly the segment information as per AS-17 "Segment Reporting" has been presented in the Consolidated Financial Statements.

25. Loans and Advances in the nature of Loans given to Subsidiaries and Associate etc.

A. Loans and Advances in the nature of Loans :

Sr. No.	Name of the Company		30.09.2006 (Rs.in millions)	30.09.2005 (Rs.in millions)	Maximum Balance During the year (Rs.in millions)
1	Paramount Global Ltd.	Subsidiary	826.61	632.18	678.82
2	Videocon Cayman Ltd.	Subsidiary (upto 29 Sept. 2006)	-	0.36	0.36
3	Middle East Appliances LLC	Subsidiary	-	216.49	216.49
4	Videocon Global Ltd.	Subsidiary	443.87	(394.92)	454.89
5	Videocon Industrial Finance Ltd.	Subsidiary (upto 29 Sept. 2006)	-	2.01	2.01
6	Sky Billion Trading	Subsidiary (upto 28 Feb. 2006)	-	(1,187.44)	-
	Total		1,272.48	(731.32)	

Notes :-

- Loans and Advances shown above, to subsidiaries fall under the category of 'Loans & Advances in nature of Loans where there is no repayment schedule'.
- No interest is chargeable on Loans and Advances to above Subsidiaries.

B. Investment by the loanee in the shares of the Company.

None of the loanees have made investments in the shares of the Company.

26. Reserves:

Share of the Company in remaining reserves on proved and probable basis (as per Operator's estimates)

Particulars	Unit of measurement	As on 30.09.2006	As on 30.09.2005
Crude Oil	Million Metric Tonnes	2.77	3.40
Natural Gas	Million Cubic Metres	678.36	853.94

27. As required by Accounting Standard 29 "Provisions, Contingent Liabilities and Contingent Assets" issued by Institute of Chartered Accountants of India the disclosure with respect to provision for warranty and maintenance expenses is as follows:

	Rs. in million
a) Amount at the beginning of the year	94.01
b) Additional provision made during the year	359.01
c) Amount used	92.47
d) Unused amount reversed during the year	-
e) Amount at the end of the year	360.55

28. i) Future obligation of the Company for assets taken on all leases entered into before 1st April 2001 is Rs. Nil

ii) Subsequent to 1st April, 2001 the Company has entered into operating lease agreements for "Cars" to be used by employees for a period of 4 years. The lease rentals charged during the year are Rs. 2.45 million.

iii) The maximum obligation on long-term non-cancellable operating leases entered on or after April 1, 2001 payable as per the rentals stated in respective agreements are as follows:

Minimum Lease Payments	As at 30.09.06 (Rs. in million)
Not later than 1 year	1.70
Later than 1 year and not later than 5 years	1.05
More than 5 year	NIL
Total	2.75

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STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956, RELATING TO COMPANY'S INTEREST IN SUBSIDIARY COMPANIES
Statement of Subsidiaries of Videocon Industries Ltd.

1	Name of subsidiary	Gajanan Electronics & Supply Pvt. Ltd.	Mayur Household Electronics Appliances Pvt. Ltd.	Godavari Consumer Electronics Appliances Pvt. Ltd.	Paramount Global Ltd.	Middle East Appliances LLC	Mars Overseas Ltd	Videocon Global Ltd	Venus Corporation Ltd	Powerking Corporation Ltd	Videocon (Mauritius) Infrastructure Ventures Ltd.	Eagle Corporation Ltd (On Consolidated Basis) w.e.f. 13.12.2005
2	The financial year of the Subsidiary Companies ended on	30th Sept., 2006	30th Sept., 2006	30th Sept., 2006	30th Sept., 2006	30th Sept., 2006	30th Sept., 2006	30th Sept., 2006	30th Sept., 2006	30th Sept., 2006	30th Sept., 2006	30th Sept., 2006
3	Holding Company's Interest											
	No. of Shares held by Videocon Industries Ltd with its nominees in the subsidiaries at the end of the financial year of the subsidiary Companies	10,000 Equity Shares of the face value of Rs.10/- each fully paid	10,000 Equity Shares of the face value of Rs.10/- each fully paid	10,000 Equity Shares of the face value of Rs.10/- each fully paid	12,800,000 Shares of the face value of US\$ 1.00 each fully paid	2,251,800 Shares of the face value of Oman Riyal 1.00 each fully paid	1,000,000 Shares of the face value of US\$ 1.00 each fully paid	2,500 Shares of the face value of US\$ 1.00 each fully paid	2,962 Shares of the face value of US\$ 1.00 each fully paid	2,711 Shares of the face value of US\$ 1.00 each fully paid	530,000 Shares of the face value of US\$ 1.00 each fully paid	1,000 Shares of the face value of US\$ 1.00 each fully paid
	Extent of the interest of holding company at the end of financial year of the subsidiary Companies	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
4	The net aggregate amount of the Subsidiary Companies Profit / (Loss) so far as it concern the members of the Holding Company											
a.	Not dealt with in the Holding Company's accounts:											
	i For the current financial period ended	Rs. 235.56/-	Rs. 2,621,704/-	Rs. 1,180,597/-	US\$ 756,310/- (in Rs. 36,719,463/-)	RO 933/- (in Rs. 112,184/-)	(US\$ 46,375/-) (in Rs. 2,141,134/-)	US\$ 9,631,748/- (in Rs. 444,697,806/-)	(US\$ 3,189,090/-) (in Rs. 147,239,824/-)	(US\$ 9,405,093/-) (in Rs. 434,279,314/-)	(US\$ 6,678/-) (in Rs. 306,323/-)	(US\$ 11,598,535/-) (in Rs. 534,119,261/-)
	ii For the Previous financial years of the Subsidiary Companies since they became the Holding Company's subsidiaries	Rs. 847,251/-	Rs. 3,742,239/-	Rs. 1,865,606/-	(US\$4,959,617/-) (in Rs. 230,370,617/-)	(RO 35,495/-) (in Rs. 4,287,936/-)	(US\$ 446,280/-) (in Rs. 20,604,748/-)	US\$ 243,460/- (in Rs. 11,240,546/-)	N.A.	(US\$ 2,514,697/-) (in Rs. 116,103,560/-)	(US\$ 28,064/-) (in Rs. 1,296,636/-)	N.A.
b.	Dealt with in Holding Company's accounts:											
	i For the current financial year ended	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	ii For the Previous financial years of the Subsidiary Companies since they became the Holding Company's subsidiaries	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

VIDEOCON INDUSTRIES LIMITED

	Year ended on 30th Sept., 2006 (Rupees)	Period ended on 30th Sept., 2005 (Rupees)		Year ended on 30th Sept., 2006 (Rupees)	Period ended on 30th Sept., 2005 (Rupees)
SCHEDULE 12: PRODUCTION & EXPLORATION EXPENSES			SCHEDULE 14: MANUFACTURING & OTHER EXPENSES		
Production Expenses	241,927,197	356,167,891	Rent, Rates & Taxes	810,436,316	108,134,428
Royalty	393,959,400	496,794,518	Draw and Licence Fees	NIL	3,690,000
Cess	543,247,795	722,696,310	Prize Pay-out Expenses	NIL	2,624,783
Production Bonus	191,869,582	211,271,876	Draw Related Expenses	NIL	34,021,826
Government Share in Profit Petroleum	7,861,838,385	7,574,814,993	Power, Fuel & Water	3,395,340,631	273,655,429
Abandonment Costs	61,240,410	75,083,006	Repairs to Building	35,942,889	8,294,114
Producing Properties Written Off	177,363,117	118,750,149	Repairs to Plant & Machinery	66,057,464	24,361,441
Exploration Expenses	111,765,172	18,078,430	Repairs & Maintenance-others	546,838,509	33,298,494
			Bank Charges	320,815,796	274,635,813
			Directors' Sitting Fees	778,467	178,000
	9,583,211,058	9,573,657,175	Royalty	212,173,894	13,175,285
			Printing & Stationery	36,042,024	31,600,096
			Freight & Forwarding	2,192,410,093	327,919,948
			Advertisement & Publicity	1,068,130,000	761,249,926
			Sales Promotion	544,374,853	126,404,086
			Discount & Incentive Scheme	2,802,974,313	2,441,419,430
			Legal & Professional Charges	422,838,777	169,558,503
			Donation	71,592,277	21,312,000
			Insurance Expenses	565,594,142	585,055,982
			Auditors' Remuneration	60,422,610	7,360,955
			Bad Debts Written off	41,733,170	835,749,182
			Warranty and Maintenance Expenses	540,669,353	84,010,150
			Miscellaneous Expenditure written off	22,608	98,552
			Technical Know-How	8,706,241	NIL
			Miscellaneous Expenses	2,171,067,121	402,314,163
	TOTAL	507,482,159		TOTAL	6,578,292,660
SCHEDULE 13: SALARY, WAGES & EMPLOYEES' BENEFITS			SCHEDULE 15: INTEREST & FINANCE CHARGES		
Salary, Wages & Other Benefits	6,429,349,750	442,990,525	On Fixed Period Borrowings	2,662,362,721	2,341,577,596
Contribution to Provident and other Funds	667,312,597	28,892,403	On Others	752,104,721	201,055,190
Staff Welfare	248,235,563	35,819,231			
				TOTAL	2,642,632,786
	TOTAL	7,344,897,910			

SCHEDULE 16 - SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**A) SIGNIFICANT ACCOUNTING POLICIES:****1. Basis of Consolidation**

- The Consolidated financial statements relate to Videocon Industries Limited ("the Company" or "the Parent Company") and its subsidiary companies "collectively referred to as 'the Group'".
- The financial statements of the subsidiary companies used in the preparation of the Consolidated Financial Statement are drawn upto the same reporting date as that of the Company i.e. 30th September, 2008.
- The Consolidated Financial Statements (CFS) have been prepared in accordance with the Accounting Standard 21 "Consolidated Financial Statements", Accounting Standard 27 "Financial Reporting of Interests in Joint Venture" and Accounting Standard 23 "Accounting for investments in Associates in Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.
- Principles of Consolidation:

The Consolidated Financial Statements have been prepared on the following basis:

- The financial statements of the Company, its subsidiary companies and jointly controlled entities have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances /transactions and unrealised profits or losses.
 - All separate financial statements of subsidiaries, originally presented in a currency different from the Group's presentation currency, have been converted into Indian Rupees (INR) which is the functional currency of the parent company. In case of foreign subsidiaries, revenue items have been consolidated at the average of the rates prevailing during the period. All assets and liabilities are translated at rates prevailing at the balance sheet date. The exchange difference arising on the translation is debited or credited to Foreign Currency Translation Reserve.
 - The CFS have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements except in respect of depreciation and retirement benefits where it was not practicable to use uniform accounting policies in case of certain foreign subsidiaries. However, the amount of impact of these differences is not material.
 - The excess of the cost to the company of its investment in subsidiary over the Company's share of equity of the subsidiary as at the date on which investment in subsidiary is made, is recognised in the financial statement as Goodwill. The excess of Company's share of equity and reserve of the subsidiary Company over the cost of acquisition is treated as Capital Reserve.
 - The difference between the proceeds from disposal of investment in a Subsidiary and the carrying amount of its assets less liabilities as of the date of disposal is recognised in the Consolidated Statement of Profit and Loss Account as the profit or loss on disposal of Investment in Subsidiary.
 - Minority interest in the net asset of Consolidated Subsidiary consists of (a) The amount of equity attributable to minorities at the date on which investment in a subsidiary is made and (b) The minorities share of movements in equity since the date the Parent subsidiary relationship came into existence.
 - Investments in entities in which the company or any of its subsidiaries has significant influence but not a controlling interest, are reported according to the equity method. The carrying amount of the investment is adjusted for the post acquisition change in the investor's share of net assets of the investee. The consolidated profit and loss account includes the company's share of the results of the operations of the investee.
- The companies which are included in the consolidation with their respective countries of incorporation and the percentage of ownership interest therein of the Company as on 30th September, 2006 are as under:

Name of the subsidiary	Country of incorporation	Percentage of Holding As at	
		30th Sept. 2006	30th Sept. 2005
Paramount Global Ltd.	Hong Kong	100%	100%
Middle East Appliances LLC	Sultanate of Oman	100%	100%
Videocon (Cayman) Ltd. (Up to 29 th September, 2006)	Cayman Islands	NIL	100%
Trend Ltd. (Up to 29 th September, 2006)	Hong Kong	NIL	100%

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Name of the subsidiary	Country of incorporation	Percentage of Holding As at	
		30th Sept. 2006	30th Sept. 2005
Sky Billion Trading Ltd. (Up to 28 th February 2006)	Hong Kong	NIL	100%
Mars Overseas Ltd.	Cayman Islands	100%	100%
Videocon Global Ltd.	British Virgin Islands	100%	100%
Venus Corporation Ltd. (w.e.f. 18 th November, 2005)	Cayman Islands	100%	NIL
Powerking Corporation Ltd.	Cayman Islands	100%	100%
Videocon (Mauritius) Infrastructure Ventures Ltd.	Mauritius	100%	100%
Videocon Industrial Finance Ltd. (Up to 29 th September, 2006)	India	NIL	100%
Gruhaaptyogi Electronics Appliances Pvt Ltd. (Up to 29 th September, 2006)	India	NIL	100%
Gajanan Electronics and Home App. Pvt Ltd.	India	100%	100%
Mayur Household Electronics Pvt Ltd.	India	100%	100%
Godavari Consumer Electronics App. Pvt Ltd.	India	100%	100%
Eagle Corporation Ltd (w.e.f. 13 th December, 2005)	Cayman Island	100%	NIL
Technologies Display Americas LLC * (w.e.f. 13 th December, 2005)	State of delaware	100%	NIL
Thomson Display Mexicana S.A. de.CV * (w.e.f. 13 th December, 2005)	Mexico	100%	NIL
VDC Technologies S.P.A. * (w.e.f. 13 th December, 2005)	Italy	100%	NIL
Thomson Tubes & Displays S.A. * (w.e.f. 13 th December, 2005)	France	100%	NIL
Thomson Displays Polska S.P.Z.O.O * (w.e.f. 13 th December, 2005)	Poland	100%	NIL
Thomson Displays Italy Srl * (w.e.f. 13 th December, 2005 upto 29 th September, 2006)	Italy	100%	NIL
Thomson Guandong Displays Co. Ltd. * (w.e.f. 13 th December, 2005)	China	91.3%	NIL
Thomson Display R & D Asia * (w.e.f. 13 th December, 2005)	China	100%	NIL

* Subsidiaries of Eagle Corporation Ltd.

Name of the Associate	Country of incorporation	Percentage of Holding As at 30th Sept. 2006
Evans Fraser & Co. (India) Ltd.	India	41.67%

2. Basis of Accounting:

The financial statements are prepared under historical cost convention, except for certain Fixed Assets which are revalued, using the accrual system of accounting in accordance with the accounting principles generally accepted in India (Indian GAAP) and the requirements of the Companies Act, 1956, including the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India, as referred to in Section 211 (3C) of the Companies Act, 1956.

3. Fixed Assets:

- Fixed Assets are stated at actual cost, except for certain fixed assets which have been stated at revalued amounts, less accumulated depreciation / amortisation and impairment loss, if any. The actual cost is inclusive of freight, installation cost, duties, taxes, financing cost and other incidental expenses but net of Modvat/Cenvat/Value added tax, exchange difference, if any, in respect of liabilities incurred to acquire fixed assets is adjusted to the carrying amount of respective fixed assets.
- Capital Work in Progress is carried at cost, comprising of direct cost, attributable interest and related incidental expenditure. The advances given for acquiring fixed assets are shown under Capital Work in Progress.

4. Joint Ventures for Oil and Gas Fields:

In respect of joint ventures in the nature of Production Sharing Contracts (PSC) entered into by the Company for oil and gas exploration and production activities, the Company's share in the assets and liabilities as well as income and expenditure of Joint Venture Operations are accounted for according to the Participating Interest of the Company as per the PSC and the Joint Operating Agreements on a line by line basis in the Company's Financial Statements.

5. Exploration, Development and Production Costs:

The Company follows the "Successful Efforts Method" of accounting for oil and gas exploration, development and production activities as explained below:

- Exploration and production cost are expensed in the year/period in which these are incurred.
- Development costs are capitalised and reflected as "Producing Properties". Costs include recharges to the Joint Venture by the Operator/Affiliate in respect of the actual cost incurred and as set out in the Production Sharing Contract (PSC). Producing Properties are depleted using the "Unit of Production Method".

6. Abandonment Costs:

Abandonment Costs relating to dismantling, abandoning and restoring offshore well sites and allied facilities are provided for on the basis of "Unit of Production Method". Aggregate abandonment costs to be incurred are estimated based on technical evaluation by experts.

7. Depreciation and Amortisation:

- The Parent Company and Indian Subsidiary Companies provide depreciation on fixed assets held in India on written down value method in the manner and at the rates specified in the Schedule XIV to the Companies Act, 1956 except a) on Fixed Assets of Consumer Electronics Division and; b) on office buildings acquired after 01.04.2000, on which depreciation is provided on straight line method at the rates specified in the said Schedule. Depreciation on fixed assets held outside India is calculated on straight line method at the rates prescribed in the aforesaid Schedule or based on useful life of assets whichever is higher. Producing Properties are depleted using the "Unit of Production Method". Leasehold Land is amortised over the period of lease.

The depreciation on revised carrying amount of fixed assets arising on account of translation of Foreign Currency Loans availed in respect of the Fixed Assets and on revaluation of assets is provided as aforesaid over the residual useful life of the respective assets.

Intangibles: Intangible assets are amortised over a period of five years.

- In case of foreign subsidiaries, depreciation is charged to the Income statement on a straight line basis over the estimated remaining useful life of the Assets. Leasehold land is amortised on straight line method over the period of lease

8. Impairment of Assets :

The Fixed Assets or a group of assets (Cash generating unit) and Producing Properties are reviewed for impairment at each Balance Sheet date. In case of any such indication, the recoverable amount of these assets or group of assets is determined, and if such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the impairment loss is recognised by writing down such assets to their recoverable amount. An impairment loss is reversed if there is change in the recoverable amount and such loss either no longer exists or has decreased.

9. Investments:

- Current Investments : Current investments are carried at lower of cost and quoted/fair value.

Exhibit B



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- e) The companies which are included in the consolidation with their respective countries of incorporation and the percentage of ownership interest therein of the Company as on 30th September, 2007 are as under:

Name of the subsidiary	Country of incorporation	Percentage of Holding As at	
		30th Sept., 2007	30th Sept., 2006
Paramount Global Ltd.	Hong Kong	100%	100%
Middle East Appliances LLC	Sultanate of Oman	100%	100%
Global Energy Inc (w.e.f 10th October 2006))	Cayman Islands	100%	NIL
Videocon Display Research Co. Ltd. (w.e.f. 9th March 2007)	Japan	100%	NIL
Sky Billion Trading Ltd. (w.e.f 21st November 2006)	Hong Kong	100%	NIL
Mars Overseas Ltd. (up to 26th September 2007)	Cayman Islands	NIL	100%
Videocon Global Ltd.	British Virgin Islands	100%	100%
Venus Corporation Ltd.	Cayman Islands	100%	100%
Powerking Corporation Ltd.	Cayman Islands	100%	100%
Videocon (Mauritius) Infrastructure Ventures Ltd.	Mauritius	100%	100%
Gajanan Electronics and Home Appliances Pvt. Ltd. (Up to 26th September 2007)	India	NIL	100%
Mayur Household Electronics Appliances Pvt. Ltd.	India	100%	100%
Godavari Consumer Electronics Appliances Pvt. Ltd.	India	100%	100%
Eagle Corporation Ltd.	Cayman Islands	100%	100%
Technologies Displays Americas LLC * (Formerly Thomson Displays Americas LLC)	State of Delaware	100%	100%
Technologies Displays Mexicana S.A. de CV * (Formerly Thomson Display Mexicana S.A. de CV)	Mexico	100%	100%
VDC Technologies S.P.A. *	Italy	100%	100%
TTD International S.A. * (Formerly Thomson Tubes & Displays S.A.)	France	100%	100%
TDP S.P.z.o.o. * (Formerly Thomson Displays Polska S.P.z.o.o.)	Poland	100%	100%
TTD International Ltd. * (w.e.f. 30th January 2007)	Hongkong	100%	NIL
TGDC Guangdong Displays Co. Ltd. * (Formerly Thomson Guangdong Displays Co. Ltd.)	China	91.3%	91.3%
Thomson Display Technology Research & Development Co. Ltd. *	China	100%	100%
VDC Technologies Deutschland GmbH ** (w.e.f. 14th September 2007)	Germany	100%	NIL

* Subsidiaries of Eagle Corporation Ltd.

** Subsidiary of VDC Technologies S.P.A.

Name of the Associate	Country of incorporation	Percentage of Holding As at 30th Sept., 2007
Evans Fraser & Co. (India) Ltd.	India	41.67%

2. Basis of Accounting:

- The financial statements are prepared under historical cost convention, except for certain Fixed Assets which are revalued, using the accrual system of accounting in accordance with the accounting principles generally accepted in India (Indian GAAP) and the requirements of the Companies Act, 1956, including the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India, as referred to in Section 211 (3C) of the Companies Act, 1956.
- Use of Estimates
The preparation of financial statements requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the year. Example of such estimates include provisions for doubtful debts, employee retirement benefits plans, provision for income tax, accounting for contract costs expected to be incurred to complete software development and the useful lives of fixed assets.

3. Fixed Assets:

- Fixed Assets are stated at actual cost, except for certain fixed assets which have been stated at revalued amounts, less accumulated depreciation / amortisation and impairment loss, if any. The actual cost is inclusive of freight, installation cost, duties, taxes, financing cost and other incidental expenses but net of Modvat/Cenvat/Value

added tax. Exchange difference, if any, in respect of liabilities incurred to acquire fixed assets is adjusted to the carrying amount of respective fixed assets.

- Capital Work in Progress is carried at cost, comprising of direct cost, attributable interest and related incidental expenditure. The advances given for acquiring fixed assets are shown under Capital Work in Progress.

4. Joint Ventures for Oil and Gas Fields:

In respect of joint ventures in the nature of Production Sharing Contracts (PSC) entered into by the Company for oil and gas exploration and production activities, the Company's share in the assets and liabilities as well as income and expenditure of Joint Venture Operations are accounted for according to the Participating Interest of the Company as per the PSC and the Joint Operating Agreements on a line-by-line basis in the Company's Financial Statements.

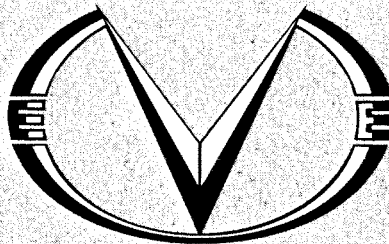
5. Exploration, Development and Production Costs:

The Company follows the "Successful Efforts Method" of accounting for oil and gas exploration, development and production activities as explained below:

- Exploration and production cost are expensed in the year/period in which these are incurred.
- Development costs are capitalised and reflected as "Producing Properties". Costs include recharges to the Joint Venture by the Operator/Affiliate in respect of the actual cost incurred and as set out in the Production Sharing Contract (PSC). Producing Properties are depleted using the "Unit of Production Method".

Exhibit C

VIDEOCON INDUSTRIES LIMITED



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Annual Report 2007-08

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sincere appreciation for the valuable guidance received from Mr. Johan Fant during his tenure as a member of the Board of Directors of the Company.

In terms of the provisions of Section 260 of the Companies Act, 1956, Ms. Gunilla Nordström holds office of the Board of Directors of the Company upto the date of ensuing Annual General Meeting. The Company has received a notice in writing from a member along with a deposit of Rs. 500/- (Rupees Five Hundred Only) proposing the candidature of Ms. Gunilla Nordström for the office of the Board of Directors of the Company under the provisions of Section 257 of the Companies Act, 1956.

The Company has also received a notice in writing from a member along with a deposit of Rs. 500/- (Rupees Five Hundred Only) proposing the candidature of Mr. Radhey Shyam Agarwal for the office of the Board of Directors of the Company under the provisions of Section 257 of the Companies Act, 1956. The appointment of Mr. Radhey Shyam Agarwal may also be considered as an appointment to fill the vacancy that would arise upon cessation of Mr. Kuldeep Drabu at the ensuing Annual General Meeting, since not offered himself for re-appointment.

The Board recommends appointment of Ms. Gunilla Nordström and Mr. Radhey Shyam Agarwal.

The brief profiles of directors being appointed/re-appointed at the ensuing Annual General Meeting forms part of notice of the ensuing Annual General Meeting.

PARTICULARS OF EMPLOYEES

The details of employees drawing remuneration in excess of the monetary ceiling prescribed under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, during the financial year 2007-2008 is annexed to this report.

LISTING

The Equity Shares, Global Depository Receipts and Foreign Currency Convertible Bonds of the Company are listed as under:

Nature of Instrument	Listed on
Equity Shares	The Bombay Stock Exchange Limited National Stock Exchange of India Limited
Global Depository Receipts	The Luxembourg Stock Exchange
Foreign Currency Convertible Bonds	Singapore Exchange Trading Securities Limited

SUBSIDIARY COMPANIES

During the year under review, Videocon International Electronics Limited, Videocon Global Energy Holdings Limited, Videocon Energy Resources Limited, Pipavav Energy Private Limited, Videocon Electronic (Shenzen) Limited, Eagle Ecorp Limited and Videocon Energy Ventures Limited became subsidiaries of the Company.

Further, Eagle Corporation Limited ceased to be subsidiary of the Company due to dilution and consequently all the subsidiaries of Eagle Corporation Limited ceased to be step down subsidiaries of the Company.

During the year under review, the Company together with its subsidiary, Videocon International Electronics Limited acquired 64% interest in Datacom Solutions Private Limited.

As such, as on September 30, 2008, the Company had 18 (Eighteen) Subsidiaries viz., Paramount Global Limited, Videocon (Mauritius) Infrastructure Ventures Limited, Middle East Appliances LLC, Videocon Global Limited, Mayur Household Electronics Appliances Private Limited, Powerking Corporation Limited, Godavari Consumer Electronics Appliances Private Limited, Venus Corporation Limited, Global Energy Inc, Sky Billion Trading Limited, Videocon Display Research Company Limited, Videocon International Electronics Limited, Videocon Global Energy Holdings Limited, Videocon Energy Resources Limited, Pipavav Energy Private Limited, Videocon Electronics (Shenzen) Limited, Eagle Ecorp Limited and Videocon Energy Ventures Limited.

The Company has received an exemption from the Central Government u/s 212(8) of the Companies Act, 1956 with regard to attaching of the balance sheet, profit and loss account and other documents of the subsidiaries for the year 2007-2008.

The Company undertakes that:

1. The Annual Accounts of the subsidiary companies and the related detailed information will be made available to the members of the Company and its Subsidiaries seeking such information, free of cost, at any point of time upon receipt of request for the same.
2. The Annual Accounts of the subsidiary companies will also be kept for inspection by any investor at the Registered Office of the Company and at the Registered Office of the Subsidiary Company also.

A summary of the key financials of the Company's subsidiaries in pursuance to the direction of Central Government, forms part of this Annual Report.

CONSOLIDATED FINANCIAL STATEMENTS

The Audited Consolidated Financial Statements, based on the Financial Statements received from the Subsidiaries, Associates and Joint Ventures, as approved by their respective Board of Directors have been prepared in accordance with the requirements of Accounting Standard 21 "Consolidated Financial Statements" Accounting Standard 27 - "Financial Reporting of Interests in Joint Ventures" and Accounting Standard 23 - "Accounting for Investments in Associates in Consolidated Financial Statements".

CASH FLOW STATEMENT

As required under Clause 32 of the Listing Agreement with the Stock Exchanges, in India, and in accordance with the Accounting Standard on Cash Flow Statement (AS-3) issued by The Institute of Chartered Accountants of India, the Cash Flow Statement is attached to the Balance Sheet and Profit and Loss Account.

AUDITORS' REPORT

The Auditors' Report is unqualified. The notes to the Accounts referred to in the Auditors' Report are self explanatory and therefore do not call for any further clarifications under Section 217(3) of the Companies Act, 1956.

AUDITORS

M/s. Khandelwal Jain & Co., Chartered Accountants, Mumbai and M/s. Kadam & Co., Chartered Accountants, Ahmednagar, Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting.

The Company has received certificates from these Auditors to the effect that their re-appointment, if made, would be within the prescribed limit under Section 224(1-B) of the Companies Act, 1956.

The Board recommends their re-appointment.

CORPORATE GOVERNANCE & MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As required under clause 49 of the Listing Agreement with the Stock Exchanges, Corporate Governance and Management Discussion and Analysis Report form part of this Report.

The Company is in full compliance with the requirements and disclosures that have to be made in this regard. A certificate from the Statutory Auditors of the Company confirming compliance of the Corporate Governance is appended to the Report on Corporate Governance.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 217(2AA) of the Companies Act, 1956, we, the directors of VIDEOCON INDUSTRIES LIMITED, state in respect of Financial Year 2007-08 that:

- a) in the preparation of annual accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d) the directors have prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENT

The directors would like to express their grateful appreciation for the assistance and co-operation received from the Financial Institutions, Banks and Government Authorities.

The directors are happy to place on record their gratitude to the employees at all levels for their commitment and dedicated efforts.

The directors are also thankful to the shareholders for their continued support to the Company.

For and on Behalf of the Board of Directors

V. N. Dhoot
Chairman & Managing Director

Place: Mumbai

Date: February 26, 2009

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	30th September, 2008	
	Funded Gratuity (Rs. in million)	Non Funded Leave Encashment (Rs. in million)
b) The amounts recognised in Profit and Loss for the year ended 30th September, 2008		
1 Current Service Cost	8.71	6.68
2 Interest Cost	5.92	2.37
3 Actuarial (gain)/ Losses	4.06	5.21
4 Actual Return on Plan Assets	(3.08)	-
5 Total expenses	15.61	14.26
c) The changes obligations during the year ended on 30th September, 2008		
1 Present value of Defined Benefit Obligation at the beginning of the year	71.92	29.09
2 Current Service Cost	8.71	6.68
3 Interest Cost	5.92	2.37
4 Actuarial (Gain)/ Losses	4.06	5.21
5 Benefit Payments	11.15	12.07
6 Present value of Defined Benefit Obligation at the end of the year	79.46	31.28
d) The changes in Plan Assets during the year ended on 30th September, 2008		
1 Plan Assets at the beginning of the year	31.16	-
2 Contribution by Employer	9.14	-
3 Actual Benefit paid	9.23	-
4 Plan Assets at the end of the year	34.37	-
5 Actual return on Plan Assets	3.08	-

Actuarial assumptions :

- i Discount Rate 8 % Per annum
- ii Mortality L.I.C. (1994-96) Ultimate
- iii Turnover Rate 1 % Per annum
- iv Future Salary Increase 5 % Per annum

The above information is certified by Actuary. This being first year of implementation of revised AS -15, Previous year's figures have not been given.

15. a) The Financial Institutions have a right to convert, at their option, the whole outstanding amount of term loans or a part not exceeding 20% of defaulted amount of loan, whichever is lower, into fully paid up equity shares of the Company at par on default in payments / repayments of three consecutive installments of principal and / or interest thereon or on mismanagement of the affairs of the Company.
- b) The Financial Institutions have a right to convert at their option, the whole or a part of outstanding amount of Preference Shares, into fully paid up equity shares of the Company as per SEBI guidelines, on default in payment of dividend or a default in redemption of Preference Shares or any combination thereof.
16. The Balances of some of the Debtors, Creditors, Deposits, Advances and Other Current Assets are subject to confirmation.
17. Funds mobilised by issue of Foreign Currency Convertible Bonds have been utilised for the object of the issue i.e. for expansion of glass shell manufacturing facilities, expansion of consumer electronics and household appliances business and global CPT business.
18. In the opinion of the Board, the value of realisation of Current Assets, Loans and Advances in the ordinary course of the business would not be less than the amount at which they are stated in the Balance Sheet and the provision for all known and determined liabilities is adequate and not in excess of the amount reasonably required.

	For the year ended 30th Sept., 2008 (Rs. in Million)	For the year ended 30th Sept., 2007 (Rs. in Million)
19. Auditors' Remuneration: (Including Service Tax)		
a) Audit Fees	6.18	5.06
b) Tax Audit Fees	1.52	1.24
c) Out of Pocket Expenses	0.18	0.18
d) Other Services	2.92	1.85
	<u>10.80</u>	<u>8.33</u>

	As on 30th Sept., 2008 (Rs. in Million)	As on 30th Sept., 2007 (Rs. in Million)
20. Disclosures under Micro, Small and Medium Enterprises Development Act, 2006		
a) Principal amount remaining unpaid to any suppliers as at the end of each accounting year.	86,966	NIL
b) Interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	2,840	NIL

- c) The amount of interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day NIL NIL
- d) The amount of interest due and payable for the period of delay in making payment. 2,840 NIL
- e) The amount of interest accrued and remaining unpaid at the end of each accounting year. 2,840 NIL
- f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006 NIL NIL

Note : The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent of such vendors/ parties identified from the available information.

21. There are no amounts due to be credited to Investor Education & Protection Fund.

22. Related Party Disclosures:

As required under Accounting Standard 18 on "Related Party Disclosure", the disclosure of transaction with related parties as defined in the Accounting Standard are given below:

a) List of Related Parties:**i) Subsidiary Companies:**

- Paramount Global Limited
- Videocon Global Limited
- Sky Billion Trading Limited
- Videocon (Mauritius) Infrastructure Ventures Limited
- Middle East Appliances LLC
- Powerking Corporation Limited
- Mayur Household Electronics Appliances Private Limited
- Godavari Consumer Electronics Appliances Private Limited
- Pipavav Energy Private Limited (w.e.f. March 26, 2008)
- Datacom Solutions Pvt. Ltd. (Subsidiary of Videocon International Electronics Limited) (w.e.f. December 12, 2007)
- Datacom Telecommunications Pvt. Ltd. (Subsidiary of Datacom Solutions Pvt. Ltd.) (w.e.f. February 1, 2008)
- Venus Corporation Limited
- Eagle Corporation Limited (Upto 15th March 2008)
- Global Energy Inc
- Videocon Display Research Co.Ltd.
- Videocon Global Energy Holdings Ltd. (w.e.f. January 7, 2008)
- Videocon Energy Resources Limited (w.e.f. January 23, 2008)
- Videocon Electronics (Shenzhen) Ltd. (Chinese name - Wei You Kang Electronic (Shenzhen) Co.Ltd.) (w.e.f. April 17, 2008)
- Videocon International Electronics Limited (w.e.f. December 11, 2007)
- Eagle E Corp Limited (w.e.f. August 25, 2008)
- Videocon Energy Ventures Limited (w.e.f. September 8, 2008)
- Videocon Hydrocarbon Holdings Limited (Subsidiary of Videocon Global Energy Holdings Ltd. from January 7, 2008 to September 14, 2008 and Subsidiary of Videocon Energy Ventures Limited w.e.f. September 15, 2008)
- Investcon Singapore Holdings Limited (Subsidiary of Videocon (Mauritius) Infrastructure Ventures Limited) (w.e.f. October 9, 2007)
- Technologies Display Americas LLC * (Upto 15th March 2008)
- Technologies Displays Mexicana S.A. de CV * (Upto 15th March 2008)
- VDC Technologies S.P.A. * (Upto 15th March, 2008)
- TTD International S. A. * (Upto 15th March, 2008)
- TDP S.P.z.o.o * (Upto 15th March, 2008)
- TTD International Ltd. * (Upto 15th March, 2008)
- TGDC Guangdong Displays Co. Ltd. * (Upto 15th March, 2008)
- Thomson Display Technology Research & Development Co. Ltd. * (Upto 15th March, 2008)
- VDC Technologies Deutschland GmbH ** (Upto 15th March 2008)
- VDC Technologies Iberica S. L. ** (Upto 15th March 2008)
- Subsidiaries of Eagle Corporation Ltd.
- Subsidiary of VDC Technologies SPA

ii) Associate and Joint Venture:

- Rawa Oil & Gas Field (unincorporated) Joint Venture - Participating Interest 25%
- WA-388-P Joint Venture - Participating Interest 20% (w.e.f. September 18, 2008)
- Block 56 Joint Venture Oman - Participating Interest 25%
- EPP27 Joint Venture - Participating Interest 20%
- JPDA 06-103 Joint Venture - Participating Interest 25%
- VB (Brazil) Petroleo Private Ltd. - Percentage of holding 50% (w.e.f. December 2, 2007)
- Videocon Infinity Infrastructure Pvt. Ltd. - Percentage of holding 50% (w.e.f. June 2, 2008)
- Evans Fraser & Co. (India) Ltd. - Percentage of holding 41.67% (Upto August 5, 2008)

iii) Key Management Personnel:

- Mr. Venugopal N. Dhoot - Chairman & Managing Director
- Mr. Pradeepkumar N. Dhoot - Whole Time Director
- Mr. K. R. Kim - Chief Executive Officer
- Mr. P. K. Gupta - Vice President
- Mr. Amit Gupta - Vice President
- Mr. Shekhar Jyoti - Vice President

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VIDEOCON INDUSTRIES LIMITED**SCHEDULE 15 - SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****A) SIGNIFICANT ACCOUNTING POLICIES:****1. Basis of Consolidation**

- a) The Consolidated financial statements (CFS) relate to Videocon Industries Limited ("the Company" or "the Parent Company") and its subsidiary companies collectively referred to as "the Group".
- b) The financial statements of the subsidiary companies used in the preparation of the Consolidated Financial Statement are drawn upto the same reporting date as that of the Company i.e. 30th September, 2008.
- c) The CFS have been prepared in accordance with the Accounting Standard 21 "Consolidated Financial Statements", Accounting Standard 27 "Financial Reporting of Interests in Joint Venture" and Accounting Standard 23 "Accounting for investments in Associates in Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.
- d) Principles of Consolidation:
The CFS have been prepared on the following basis:
 - i) The financial statements of the Company, its subsidiary companies and jointly controlled entities have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances /transactions and unrealised profits or losses.
 - ii) All separate financial statements of subsidiaries, originally presented in currencies different from the Group's presentation currency, have been converted into Indian Rupees (INR) which is the functional currency of the parent company. In case of foreign subsidiaries being non-integral foreign operations, revenue items have been consolidated at the average of the rates prevailing during the year. All assets and liabilities are translated at rates prevailing at the balance sheet date. The exchange difference arising on the translation is debited or credited to Foreign Currency Translation Reserve.
 - iii) The CFS have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements except in respect of depreciation and retirement benefits, where it was not practicable to use uniform accounting policies in case of certain foreign subsidiaries. However, the amount of impact of these differences is not material.
 - iv) The excess of the cost to the company of its investment in subsidiary over the Company's share of equity of the subsidiary as at the date on which investment in subsidiary is made, is recognised in the financial statement as Goodwill. The excess of Company's share of equity and reserve of the subsidiary Company over the cost of acquisition is treated as Capital Reserve.
 - v) The difference between the proceeds from disposal of investment in a Subsidiary and the carrying amount of its assets less liabilities as of the date of disposal is recognised in the Consolidated Statement of Profit and Loss Account as the profit or loss on disposal of Investment in Subsidiary.
 - vi) Minority interest's share of net profit of Consolidated Subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to Shareholders of the Company.
 - vii) Minority interest in the net assets of Consolidated Subsidiary consists of (a) The amount of equity attributable to minorities at the date on which investment in a subsidiary is made and (b) The minorities share of movements in equity since the date the Parent subsidiary relationship came into existence.
 - viii) Investments in entities in which the company or any of its subsidiaries has significant influence but not a controlling interest, are reported according to the equity method. The carrying amount of the investment is adjusted for the post acquisition change in the investor's share of net assets of the investee. The consolidated profit and loss account includes the company's share of the results of the operations of the investee.
- e) The companies which are included in the consolidation with their respective countries of incorporation and the percentage of ownership interest therein of the Company as on 30th September, 2008 are as under:

Name of the subsidiary	Country of incorporation	Percentage of Holding As at	
		30th Sept. 2008	30th Sept. 2007
Paramount Global Ltd.	Hong Kong	100%	100%
Middle East Appliances LLC	Sultanate of Oman	100%	100%
Global Energy Inc	Cayman Islands	100%	100%
Videocon Display Research Co. Ltd.	Japan	100%	100%
Sky Billion Trading Ltd.	Hong Kong	100%	100%
Videocon Global Ltd.	British Virgin Islands	100%	100%
Venus Corporation Ltd.	Cayman Islands	100%	100%
Powerking Corporation Ltd.	Cayman Islands	100%	100%

Videocon (Mauritius) Infrastructure Ventures Ltd.	Mauritius	100%	100%
Mayur Household Electronics Appliances Pvt Ltd.	India	100%	100%
Godavari Consumer Electronics App. Pvt Ltd.	India	100%	100%
Videocon Global Energy Holdings Ltd. (w.e.f. January 7, 2008)	British Virgin Islands	100%	NIL
Videocon Energy Resources Ltd. (w.e.f. January 23, 2008)	British Virgin Islands	100%	NIL
Videocon Electronics (Shenzhen) Ltd. (Chinese name - Wei You Kang Electronics (Shenzhen) Ltd.) (w.e.f. April 17, 2008)	China	100%	NIL
Videocon International Electronics Ltd. (w.e.f. December 11, 2007)	India	100%	NIL
Eagle Ecorp Limited (w.e.f. August 25, 2008)	British Virgin Islands	100%	NIL
Videocon Energy Ventures Ltd. (w.e.f. September 8, 2008)	British Virgin Islands	100%	NIL
Pipavav Energy Private Limited (w.e.f. March 26, 2008)	India	100%	NIL
Videocon Hydrocarbon Holdings Ltd. * (w.e.f. January 7, 2008)	British Virgin Islands	100%	NIL
Investcon Singapore Holdings Limited ** (w.e.f. October 9, 2007)	Singapore	100%	NIL
Datacom Solutions Private Ltd. *** (w.e.f. December 12, 2007)	India	64%	NIL
Datacom Telecommunications Private Ltd. **** (w.e.f. February 1, 2008)	India	99.88%	NIL
Eagle Corporation Ltd (Upto March 15, 2008) (Technologies Displays Americas LLC-State of Delaware, Technologies Displays Mexicana S.A. de CV-Mexico, VDC Technologies S.P.A.-Italy, TTD International S.A.-France, TDP S.P.z.o.o.-Poland, TTD International Ltd.-Hongkong, TGDC Guangdong Displays Co. Ltd.-China, Thomson Display Technology Research & Development Co. Ltd.-China, VDC Technologies Deutschland GmbH-Germany, VDC Technologies Iberica, S. L., Spain are the subsidiaries / step-down subsidiaries of Eagle Corporation Ltd.)	Cayman Island	10%	100%

* Subsidiary of Videocon Global Energy Holdings Ltd. from January 7, 2008 to September 14, 2008 and Subsidiary of Videocon Energy Ventures Ltd. w.e.f. September 15, 2008.

** Subsidiary of Videocon (Mauritius) Infrastructure Ventures Ltd.

*** Subsidiary of Videocon International Electronics Ltd.

**** Subsidiary of Datacom Solutions Pvt. Ltd.

Exhibit D

VIDEOCON INDUSTRIES LIMITED

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VIDEOCON



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2. The companies which are included in the consolidation with their respective countries of incorporation and the percentage of ownership interest therein of the Company as on 30th June, 2013, are as under:

Name of the Subsidiary	Country of Incorporation	Percentage of Ownership Interest as at	
		30th June, 2013	31st Dec., 2011
Chhattisgarh Power Ventures Private Limited	India	100%	100%
Eagle ECorp Limited (upto 20th June, 2013)	British Virgin Islands	-	100%
Liberty Videocon General Insurance Company Limited	India	77.9%	100%
Middle East Appliances LLC	Sultanate of Oman	100%	100%
Pipavav Energy Private Limited	India	100%	100%
Prosperous Energy Private Limited	India	100%	100%
Videocon Electronics (Shenzhen) Limited (Chinese Name-Weiyokang Electronic (Shenzhen) Co., Ltd.)	China	100%	100%
Videocon Global Limited	British Virgin Islands	100%	100%
Videocon Oil Ventures Limited	India	100%	100%
Videocon Estelle Limited ⁽¹⁾	Mauritius	100%	100%
Videocon Ivory Limited ⁽¹⁾	Mauritius	100%	100%
Videocon Hydrocarbon Holdings Limited ⁽¹⁾	Cayman Islands	100%	100%
Videocon JPDA 06-103 Limited ⁽²⁾	Cayman Islands	100%	100%
Videocon Indonesia Nunukan Inc. ⁽²⁾	Cayman Islands	100%	100%
Videocon Energy Brazil Limited ⁽²⁾	British Virgin Islands	100%	100%
Videocon Australia WA-388-P Limited ⁽²⁾	Cayman Islands	100%	100%
Oil Services International S.A.S. (Liquidated on 10th July, 2012) ⁽²⁾	France	-	100%
Videocon Mauritius Energy Limited (w.e.f. 17th December, 2012) ⁽²⁾	Mauritius	100%	-
Videocon Mozambique Rovuma 1 Limited ⁽³⁾	British Virgin Islands	100%	100%
Emerald Corporate Ventures Limited (upto 20th June, 2013) (formerly Videocon Energy Ventures Limited)	British Virgin Islands	-	100%
Mercury Corporate Ventures Limited (formerly Videocon Oman 56 Limited) (upto 20th June, 2013) ⁽⁴⁾	British Virgin Islands	-	100%
Videocon International Electronics Limited	India	100%	100%
Jumbo Techno Services Private Limited ⁽⁵⁾	India	100%	99%
Senior Consulting Private Limited ⁽⁵⁾	India	100%	90%
Videocon Telecommunications Limited ⁽⁵⁾	India	90.8%	99.9%
Datacom Telecommunications Private Limited ⁽⁶⁾	India	90.8%	99.9%
Videocon Energy Limited	India	100%	100%
Proficient Energy Private Limited ⁽⁷⁾	India	100%	100%
Applied Energy Private Limited ⁽⁸⁾	India	100%	100%
Unity Power Private Limited ⁽⁹⁾	India	51%	51%
Comet Power Private Limited ⁽⁹⁾	India	51%	51%
Indigo Energy Private Limited (w.e.f. 16th January, 2013) ⁽¹⁰⁾	India	51%	-
Percept Energy Private Limited (w.e.f. 16th January, 2013) ⁽¹⁰⁾	India	51%	-

Name of the Associate/Joint Venture	Country of Incorporation	Percentage of Ownership Interest as at	
		30th June, 2013	31st Dec., 2011
IBV Brasil Petroleo Limitada ⁽¹¹⁾	Brazil	50%	50%
Videocon Infinity Infrastructure Private Limited	India	50%	50%
Goa Energy Private Limited (upto 1st March, 2012)	India	-	26%
Radium Energy Private Limited	India	26%	26%
Northwest Energy Private Limited (upto 7th January, 2013) ⁽¹²⁾	India	-	47%

Notes:

- | | |
|---|---|
| 1. Subsidiary of Videocon Oil Ventures Limited | 7. Subsidiary of Videocon Energy Limited |
| 2. Subsidiary of Videocon Hydrocarbon Holdings Limited | 8. Subsidiary of Proficient Energy Private Limited |
| 3. Subsidiary of Videocon Mauritius Energy Limited | 9. Subsidiary of Applied Energy Private Limited |
| 4. Subsidiary of Videocon Energy Ventures Limited | 10. Subsidiary of Comet Power Private Limited |
| 5. Subsidiary of Videocon International Electronics Limited | 11. Joint Venture of Videocon Energy Brazil Limited |
| 6. Subsidiary of Videocon Telecommunications Limited | 12. Associate of Proficient Energy Private Limited |

FINANCIAL INFORMATION OF SUBSIDIARY COMPANIES

The Ministry of Corporate Affairs, Government of India, vide General Circular No. 2 and 3 dated 8th February, 2011 and 21st February, 2011, respectively has granted a general exemption from compliance with section 212 of the Companies Act, 1956, subject to fulfillment of conditions stipulated in the circular. The Company has satisfied the conditions stipulated in the circular and hence is entitled to the exemption. Necessary information relating to the subsidiaries has been included in the Consolidated Financial Statements.

Sr. No.	Name of the Subsidiary Company	Reporting Currency	Amount in	Exchange Rate	Capital	Share Application Money Received	Reserves	Total Assets	Total Liabilities	Investment (Other than Investments in Subsidiaries)	Turnover/ Total Income	Profit Before Tax	Provision for Tax (Net of Write back)	Profit after Tax	Proposed Dividend	Country
1	Indigo Energy Private Limited	₹	INR Mn		0.10	-	(0.30)	0.10	0.30	-	-	(0.30)	-	(0.30)	-	India
2	Percept Energy Private Limited	₹	INR Mn		0.10	-	(1.63)	0.10	1.63	-	-	(0.02)	-	(0.02)	-	India
3	Comet Power Private Limited	₹	INR Mn		207.32	-	(32.13)	791.41	616.22	54.77	263.20	(37.03)	0.15	(37.18)	-	India
4	Unity Power Private Limited	₹	INR Mn		0.10	-	23.60	762.84	739.14	-	197.39	38.39	14.76	23.63	-	India
5	Applied Energy Private Limited	₹	INR Mn		0.10	-	(3.88)	230.99	234.77	-	0.03	(12.04)	(2.53)	(9.51)	-	India
6	Proficient Energy Private Limited	₹	INR Mn		0.10	-	(5.06)	297.31	302.27	-	0.08	(22.26)	(5.60)	(16.66)	-	India
7	Videocon Energy Limited	₹	INR Mn		1,000.00	-	(7.19)	993.42	0.61	0.03	-	(0.05)	-	(0.05)	-	India
8	Prosperous Energy Private Limited	₹	INR Mn		0.10	-	(0.08)	417.73	417.71	-	-	(0.06)	(0.01)	(0.05)	-	India
9	Chhattisgarh Power Ventures Private Limited	₹	INR Mn		0.10	-	(0.08)	1,509.66	1,509.64	-	0.07	(0.04)	0.001	(0.04)	-	India
10	Pipavav Energy Private Limited	₹	INR Mn		5,500.00	-	(7.15)	7,078.16	1,585.31	-	0.13	(0.68)	-	(0.68)	-	India
11	Videocon JPDA 06-103 Limited	US\$	INR Mn USD Mn	59.94	0.06 0.001	- -	(347.71) (5.80)	6,109.56 101.93	6,457.21 107.73	- -	10.42 0.17	6.94 0.12	- -	6.94 0.12	- -	Cayman Island
12	Videocon Mozambique Rovuma 1 Limited	US\$	INR Mn USD Mn	59.94	0.60 0.01	- -	(50.24) (0.84)	27,132.83 452.66	27,182.47 453.49	- -	- -	(31.70) (0.53)	- -	(31.70) (0.53)	- -	British Virgin Island
13	Videocon Energy Brazil Limited	US\$	INR Mn USD Mn	59.94	0.06 0.001	- -	(261.98) (4.37)	50,486.10 842.28	50,748.02 846.65	- -	- -	(6.60) (0.11)	- -	(6.60) (0.11)	- -	British Virgin Island
14	Videocon Indonesia Nunukan Inc.	US\$	INR Mn USD Mn	59.94	0.06 0.001	- -	(6.16) (0.10)	3,136.15 52.32	3,142.25 52.42	- -	0.001 0.000	(4.77) (0.08)	- -	(4.77) (0.08)	- -	Cayman Island
15	Videocon Australia WA-388-P Limited	US\$	INR Mn USD Mn	59.94	0.000 0.000	- -	(4.37) (0.07)	1.49 0.03	5.86 0.10	- -	- -	(3.48) (0.06)	- -	(3.48) (0.06)	- -	Cayman Island
16	Videocon Mauritius Energy Limited	US\$	INR Mn USD Mn	59.94	0.06 0.001	- -	(7,023.58) (117.18)	155,518.45 2,594.56	162,541.97 2,711.74	- -	1,337.29 22.31	(7,021.94) (117.15)	- -	(7,021.93) (117.15)	- -	Mauritius

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FINANCIAL INFORMATION OF SUBSIDIARY COMPANIES

Sr. No.	Name of the Subsidiary Company	Reporting Currency	Amount in	Exchange Rate	Capital	Share Application Money Received	Reserves	Total Assets	Total Liabilities	Investment (Other than Investments in Subsidiaries)	Turnover/ Total Income	Profit Before Tax	Provision for Tax (Net of Write back)	Profit after Tax	Proposed Dividend	Country
17	Videocon Hydrocarbon Holdings Limited	US\$	INR Mn	59.94	12,167.82	4,075.92	111,694.81	259,624.22	131,685.67	-	143,352.04	125,300.42	13,431.77	111,868.65		Cayman Island
			USD Mn		203.00	68.00	1,863.44	4,331.40	2,196.96	-	2,391.59	2,090.43	224.09	1,866.34		
18	Videocon Oil Ventures Limited	₹	INR Mn		1,000.00	-	(3,588.88)	12,971.52	15,560.40	-	0.59	(3,523.57)	-	(3,523.57)		India
19	Videocon Global Limited	US\$	INR Mn	59.94	48.10	-	65.42	4,263.60	4,150.08	-	414.40	(172.70)	-	(172.70)		British Virgin Island
			USD Mn		0.80	-	1.09	71.13	69.24	-	6.91	(2.88)	-	(2.88)		
20	Middle East Appliances LLC	RO	INR Mn	156.08	351.45	647.89	(805.34)	196.75	2.75	-	48.71	(0.63)	-	(0.63)		Sultanate of Oman
			RO Mn		2.25	4.15	(5.16)	1.26	0.02	-	0.31	(0.004)	-	(0.004)		
21	Videocon Electronic (Shenzhen) Limited (Chinese Name- Wei You Kang Electronic (Shenzhen) Co Ltd)	CNY	INR Mn	9.71028	8.93	-	(29.80)	32.77	53.64	-	33.37	(27.68)	-	(27.68)		China
			CNY Mn		0.92	-	(3.07)	3.37	5.52	-	3.44	(2.85)	-	(2.85)		
22	Videocon Estelle Limited	US\$	INR Mn	59.94	1.50	-	(1.02)	1.50	1.02	-	-	(0.81)	-	(0.81)		Mauritius
			USD Mn		0.03	-	(0.02)	0.03	0.02	-	-	(0.01)	-	(0.01)		
23	Videocon Ivory Limited	US\$	INR Mn	59.94	0.06	-	(1.14)	0.06	1.14	-	-	(0.81)	-	(0.81)		Mauritius
			USD Mn		0.001	-	(0.02)	0.001	0.02	-	-	(0.01)	-	(0.01)		
24	Videocon International Electronics Limited	₹	INR Mn		30,000.00	-	(6,096.16)	58,011.85	34,108.01	2,758.30	0.22	(4,997.18)	-	(4,997.18)		India
25	Jumbo Techno Services Private Limited	₹	INR Mn		1,000.00	-	1,221.92	6,246.29	4,024.37	-	0.22	(0.17)	0.39	(0.56)		India
26	Senior Consulting Private Limited	₹	INR Mn		10.00	-	(3.09)	1,386.34	1,379.43	-	0.22	(0.07)	0.05	(0.12)		India
27	Videocon Telecommunications Limited	₹	INR Mn		54,337.50	-	(40,344.93)	62,544.02	48,551.45	0.02	6,057.57	(23,619.58)	(11,583.44)	(12,036.14)		India
28	Dalacom Telecommunications Private Limited	₹	INR Mn		0.50	-	(0.44)	1.93	1.87	-	1.20	(0.17)	-	(0.17)		India
29	Liberty Videocon General Insurance Company Limited	₹	INR Mn		3,593.50	-	(444.44)	3,258.15	109.09	2,228.34	209.08	(396.59)	-	(396.59)		India